



DEFENSE FINANCE AND ACCOUNTING SERVICE

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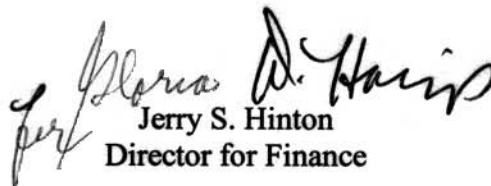
DFAS-DFM

MEMORANDUM FOR DIRECTOR, MILITARY PAY OPERATIONS, DEFENSE FINANCE AND ACCOUNTING SERVICE (PM/CL)

SUBJECT: Interim Change to the Department of Defense Financial Management Regulation (DoDFMR), Volume 7A, Regarding Family Coverage under the Servicemember's Group Life Insurance (FSGLI) (DFAS Item Number K-50)

The attached, Interim Change 48-01 to chapter 47 of the DoDFMR, Volume 7A, is effective November 1, 2001. This change incorporates life insurance for family members of the service member under the Veterans Survivor Benefits Improvement Act of 2001 (Public Law 107-14, Section 4). The maximum coverage for the spouse is \$100,000 and \$10,000 for each child. The monthly premium is based on the age of the spouse while the children's coverage is free.

We have evaluated your comments on the proposed change and included your comments where appropriate. Assignment of the interim change number is your authority to initiate procedural modifications to implement this change. Use the attached to initiate the formal change to the DoDFMR 7A.


Jerry S. Hinton
Director for Finance

Attachment:

As stated

cc: OSUD(C) (ODCFO) (FD)
DASD (MPP)(COMP)
ODGC (F)
Service Liaisons
USCG/NOAA/PHS Liaisons
DFAS-GAM/DE
DFAS-DDM/CL
DFAS-PMJE/DE

FAMILY SERVICEMEMBERS LIFE INSURANCE**1. Add section 4711 to read:****4711 FAMILY COVERAGE UNDER SGLI (FSGLI)**

471101. Eligibility. Effective November 1, 2001, FSGLI automatically covers spouses and dependent children (insurable dependents) of uniformed service members. In order for the spouse and children to be eligible for family coverage, the service member must be enrolled in the full-time SGLI coverage. Enrollment for members of the Uniformed Services is based on dependent information in the Defense Enrollment Eligibility Reporting System (DEERS). For Marine Corps members, enrollment is based on dependent information on the Marine Corps Total Force System (MCTFS).

471102. Spousal Coverage. A spouse of an eligible member is automatically covered in the amount of \$100,000. However, coverage of a spouse cannot exceed the member's SGLI coverage if such coverage is less than \$100,000. For example, if the member's SGLI coverage is \$80,000.00, then the coverage for the spouse cannot exceed \$80,000.

471103. Cost. The premiums are based on the age and the amount of coverage of the spouse. The premium rates for the spouse are as follows:

Age	Monthly Rate (Per \$10,000)	Monthly Cost (Per \$100,000)
Under 35	\$0.90	\$9.00
35 - 44	\$1.30	\$13.00
45 - 49	\$2.00	\$20.00
50 - 54	\$3.20	\$32.00
55 - OVER	\$5.50	\$55.00

471104. Children's Coverage. Each child is covered in the amount of \$10,000 at no cost to the member. The member may not decline coverage or elect to insure any child for less than \$10,000. In the case of a member married to another member, a child may not be insured by more than one member. The child shall be insured by the coverage of the member whose eligibility for insurance occurred first, except in cases where the senior member does not have legal custody of the child. In such cases, the child will be insured by the coverage of the member who has custody of the child.

471105. Member Married to Member. A member married to another member is eligible for coverage under this program. A member must ensure information in the DEERS/MCTFS is updated to reflect that the spouse is a member of the Uniformed Services so

they can be automatically enrolled in FSGLI. Refer to paragraph 471104 above for children's coverage.

471106. Effective Date. Family Coverage under SGLI is effective with regard to a member and dependents of that member on the latest of the following dates:

- A. The date member enrolled in SGLI.
- B. In the case of the spouse, the date of marriage.
- C. In the case of the child, the date of birth. If the child is not a natural child of the member, the date which the child acquires status as dependent of the member. or
- D. November 1, 2001.

471107. Reinstatement or Increase in Coverage. The member must complete the VA Form SGLV 8285A, Request for Family Coverage, to increase or reinstate FSGLI if coverage was previously reduced or declined. Proof of good health is required.

471108. Termination of Coverage

- A. Family Coverage Under SGLI will stop 120 days after the date of an election made in writing by the member to terminate the coverage, or
- B. On the earliest date of:
 - 1. 120 days after the date of the member's death;
 - 2. 120 days after the date of termination of the insurance on the member's life;
 - 3. 120 days after the member separates from the Service;
 - 4. 120 days after the termination of the dependent status as an insurable dependent of the member.

471109. Refunds. See section 4708 of this chapter.

471110. Beneficiary. The member is the primary beneficiary for family coverage. For settlement of claim, refer to section 4710 of this chapter.

2. Revise paragraph 470103 to read:

470103. Coverage. Servicemembers' Group Life Insurance is payable upon the death of the member and family coverage is payable upon the death of the spouse or dependent child (insurable dependent).

3. Add paragraph 470106 to read:

"470106. Insurable Dependent. The member's spouse (to include military spouse for family coverage) and children as defined in the first sentence of 38 United States Code (U.S.C.) section 101(4)(A)."

4. Add the following reference to the Bibliography:

Paragraph
4711

Reference
Public Law 107-14, section 4